



Testimony Re: H-5789 Relating to Labor and Labor Relations – Temporary Disability Insurance
House Finance Committee
May 4, 2021
Leanne Barrett, Senior Policy Analyst

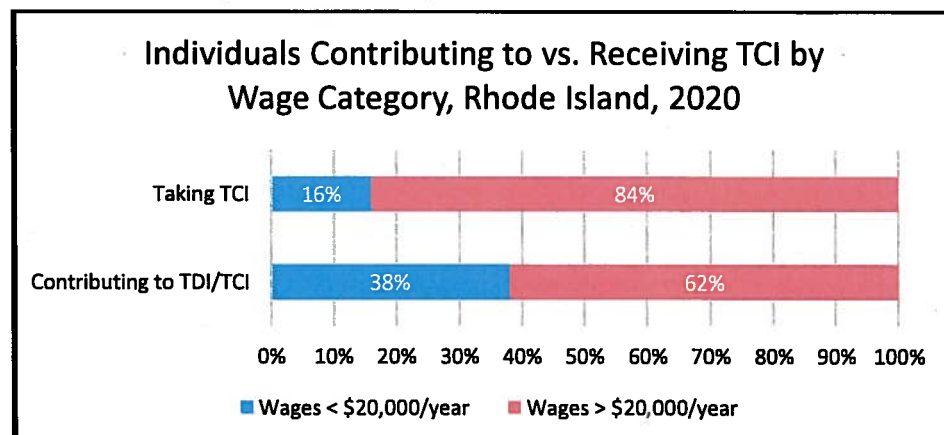
As a leader of the **Right from the Start Campaign**, Rhode Island KIDS COUNT strongly supports House Bill 5789, which would make needed improvements to the Temporary Caregivers Insurance (TCI) Program to increase the wage replacement benefits so that more low-wage working parents can actually afford to take family leave to care for a baby or new child and extend the number of paid weeks available to 12 weeks per year, in line with national standards.

Rhode Island KIDS COUNT supported the creation of the TCI program in 2013 and has actively worked to prevent proposals to weaken the program. Taking time off from work to care for a new child reduces infant mortality rates, improves breastfeeding rates and duration, and increases the likelihood that infants receive preventive medical care and immunizations. It also reduces maternal depression and child maltreatment.

Rhode Island has been a leader in the U.S. in providing paid family leave, but we need to make improvements to our program to ensure equitable access for low-income families and to ensure that all parents, including parents who do not give birth, have access to at least 12 weeks of paid leave when they welcome a new baby or child into the family.

We strongly support the changes proposed in this bill to extend the number of weeks and increase the wage replacement rate to ensure that low-wage workers can take paid family leave for the recommended length of time to care for new children.

Research indicates that **low wage workers are less likely to take paid leave that does not provide adequate wage replacement** because they need steady income in order to meet their basic needs of housing and food. The changes proposed in this bill would help low wage workers take the recommended time off to care for newborn and newly adopted and foster children.



Experts agree that all parents should be able to take **at least 12 weeks off** to care for and bond with a new child. Current Rhode Island child care regulations do not allow infants under age 6 weeks to be enrolled in child care. National health and safety guidelines published by the American Academy of Pediatrics and the American Public Health Association specify that healthy, full-term infants should be at least 12 weeks old before they are enrolled in child care settings.

A June 2017 report that reviewed U.S. and international research on the length of paid family leave impacts on maternal and child health and well-being found that **six months of leave is recommended** to promote maternal health and well-being and **one year of leave** is recommended to optimize child health and well-being.

In 2020, there were 4,806 approved claims for Temporary Caregiver Insurance in Rhode Island to care for a new child. Families from every city and town in Rhode Island used the program. Of the approved claims to bond with a new child, 42% were for dads and 58% were for moms. Extending the number of weeks will greatly benefit dads and other parents who do not give birth, including families with two moms, parents of foster children, and parents of adoptive children since they cannot receive the disability insurance that people who give birth can receive, yet they have just as important role to play in raising children.

Rhode Island KIDS COUNT thanks the General Assembly for your leadership in establishing the TDI and TCI programs and urges passage of this bill that would make needed improvements, extending leave periods to meet national recommendations and improving wage replacement rates so more low-wage workers can afford to take the time they need at home with a new baby.

Strengthening Paid Family Leave Will Help Rhode Island Families

JANUARY 2020

In 2014, Rhode Island showed its commitment to working families and young children by passing the Temporary Caregiver Insurance (TCI) program into law. This groundbreaking law, combined with the longstanding, first-in-the-nation Temporary Disability Insurance (TDI) law enacted in 1942, helps ensure that working Rhode Islanders do not have to make the impossible choice between bonding with a new child or caring for themselves or their loved ones and maintaining economic stability. Together, these programs have made Rhode Island a national leader in work and family policy, and have given the state a competitive edge for attracting and retaining residents and businesses.

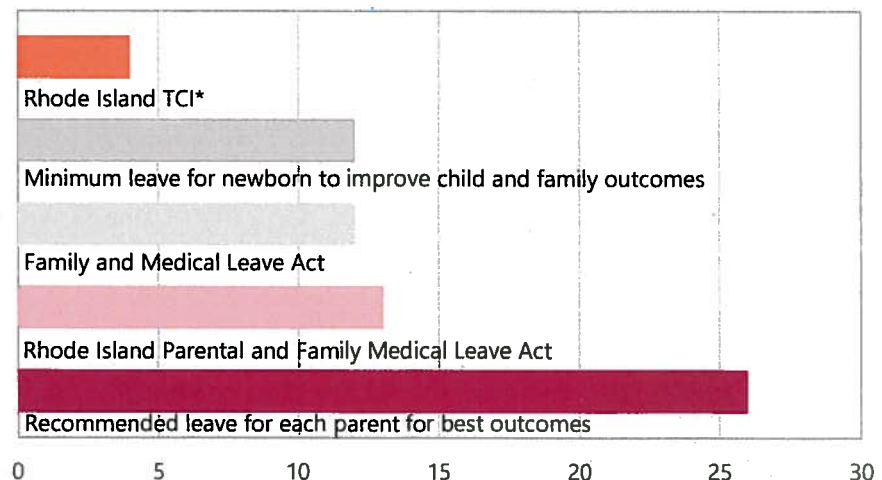
The TCI program has helped tens of thousands of Rhode Islanders care for seriously ill loved ones and bond with their babies in the first months and years of life, when children's brains are forming critical connections that will form the basis for learning for the rest of their lives. In 2018, more than 6,700 claims were approved – about 80 percent to bond with a new child – and the number has grown each year since the program was enacted. Both moms and dads are taking leave: In 2018, men filed nearly 40 percent of approved child bonding claims, and women filed just over 60 percent.¹

But in the years since TCI became law, research and new advances in state paid family and medical leave have shown that TCI and TDI could be working even better for Rhode Island families. **It's time for lawmakers to update TCI and TDI – Rhode Island must not be left behind.**

TCI Provides up to Four Weeks of Leave – Short of What Families Need

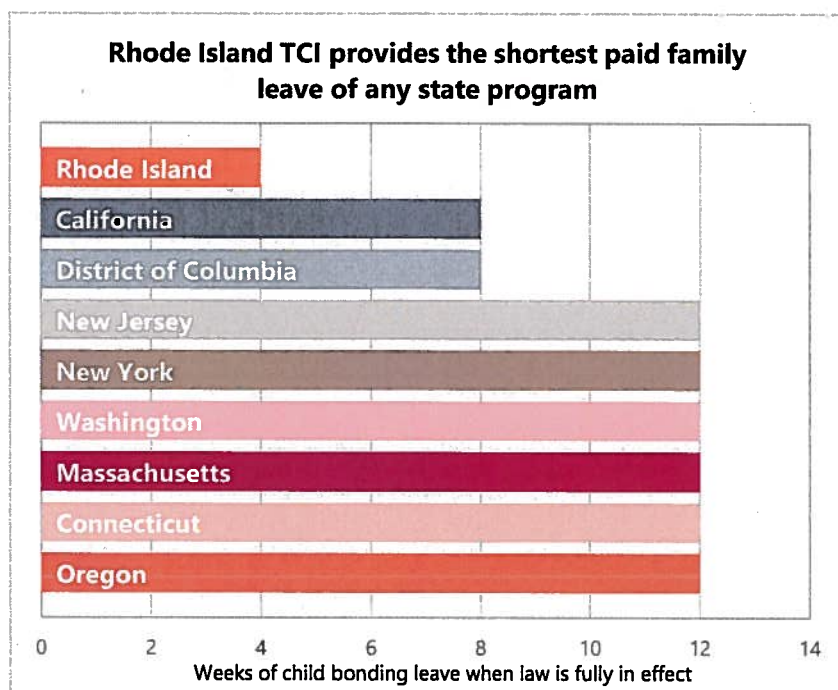
How Rhode Island Broke Ground: TCI provides workers up to four weeks of partial wage replacement when they take time away from work to care for a new child or family member with a serious health condition. The program was also the first in the country to ensure that this leave was job-protected, meaning that

Rhode Island leaves workers facing weeks of unpaid leave under FMLA, PFMLA or doctors' recommendations



* Individuals who give birth are also eligible for 6 to 8 weeks of TDI to recover from childbirth. Taken consecutively with TCI, this can provide 10 to 12 weeks of leave for those who give birth.





workers do not have to worry about losing their jobs because they take leave.

Keeping Rhode Island Competitive: Although TCI was a trailblazer in providing job-protected leave, four weeks is now far below the standard set by the newest paid family and medical leave state laws. Other states provide anywhere from six to 12 weeks of paid family leave, and many provide extended durations for purposes such as serious medical conditions or

complications related to pregnancy, meaning that **TCI provides the shortest leave of any statewide law in the country.**²

Supporting Family Health and Child Development: The four weeks of leave available through TCI fall short of public health or medical guidelines for new parents and many conditions and caregiving needs.

Relationships with parents and other caregivers are critical to a baby's early development, shaping the architecture of the developing brain.³ Caring, consistent relationships experienced by young children can mitigate the impact of stress and help develop the foundations of a child's ability to learn, to form positive relationships, and to exercise self-control – and these relationships require time.⁴ Time at home with newborns, infants, and toddlers gives parents the time they need to breastfeed, attend well-child medical visits, and ensure that their children receive all necessary immunizations.⁵ For new parents, public health experts recommend at least twelve weeks, and preferably six months, of leave in order to establish and support breastfeeding, reduce risk of post-partum depression and support strong bonds between children and their parents and caregivers.⁶

Needs vary for other conditions requiring parental or family care, but serious or chronic health conditions may require more than four weeks of leave.⁷ For example, a typical hospital stay for a child with pediatric cancer is about 12 days, and a child may have three to six stays per year.⁸ A parent could quickly exhaust the four weeks of paid caregiving leave available through TCI and face the impossible choice of taking weeks or months away from work without pay, or leaving a child alone in a hospital bed.

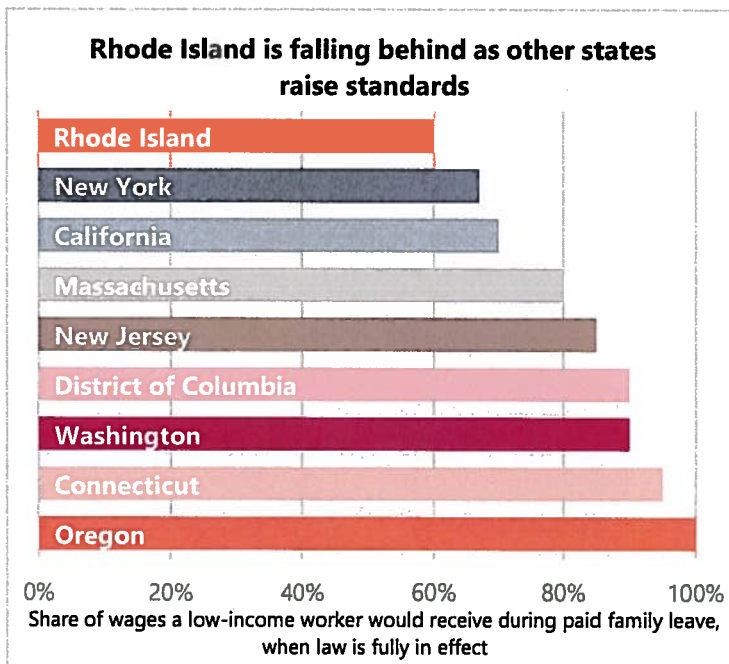
TCI Replaces Sixty Percent of Usual Wages – Unaffordable for Many Families and Below Neighbors' Standards

How Rhode Island Broke Ground: TCI and TDI benefits are approximately 60 percent of an individual's typical wages, up to a maximum of \$867 per week in 2020.⁹ At the time TCI was passed, these benefit levels were in line with offerings in California and New Jersey – and represented a competitive edge against neighboring states like Massachusetts and New York that had no paid family leave programs.

Keeping Rhode Island Competitive:

This amount is too low for Rhode Island working families, particularly those with low incomes, and is rapidly falling behind the stronger standards being set in neighboring states.

Quite simply, if the amount of income a worker receives when they're out of work isn't enough to meet basic expenses, they won't be able to access the time off a program provides. Research from other longstanding paid family and medical leave programs, which have since been improved, shows that low-income workers were less likely to take leave through the programs if the wage replacement is too low for them to afford to live on,¹⁰ and low wage replacement was a particular disincentive for fathers.¹¹



A market research study of California's paid family leave program found that the program's modest wage replacement (at the time 55 percent) was a factor in people's decision to apply or not to apply – particularly for low-income workers – and key informants and stakeholders reported that the wage replacement levels were a barrier to participation for low-income households.¹² Additional studies have also found the wage replacement level to have been a barrier for take up in California.¹³ In response to these consistent findings, California's wage replacement rate was increased in 2018 and New Jersey's was increased in 2019.¹⁴

Recommendations

To help ensure Rhode Island TCI and TDI work well for all families, lawmakers should consider the following updates to the programs, based on improvements that have been tested in other states:

- Extend TCI to cover at least 12 weeks of leave.
- Increase the TCI wage replacement rate so that leave is affordable for low-income workers.
- Fully include families of all kinds by updating the definition of covered family relationships to include extended and "chosen" family members.

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- 5 Kamerman, S. B. (2006). "Parental Leave Policies: The Impact on Child Well-Being." In Peter Moss and Margaret O'Brien, eds., *International Review of Leave Policies and Related Research 2006*, 16–21. London, UK: Department of Trade and Industry, 2006. Retrieved 20 January 2020, from https://www.leavenetwork.org/fileadmin/user_upload/k_leavenetwork/annual_reviews/2006_annual_report.pdf
- 6 WORLD Policy Analysis Center, UCLA Fielding School of Public Health. (2018, February). *A Review of the Evidence on the Length of Paid Family and Medical Leave*. Retrieved 20 January 2020, from <https://www.worldpolicycenter.org/sites/default/files/WORLD%20Brief%20-%20Length%20Paid%20Family%20and%20Medical%20Leave.pdf>
- 7 Among parents of children with chronic health conditions, about two-thirds reported that their longest leave ranged from 1–4 weeks, and about 80 percent reported needing 12 weeks or less. RAND Health. (2010). *Perceived Effects of Paid Family Leave Among Parents of Children with Special Health Care Needs*. Retrieved 20 January 2020, from https://www.rand.org/pubs/research_briefs/RB9445/index1.html; Congenital heart disease typically requires up to one week of hospitalization for surgery, plus three to eight weeks of recovery time. National Institutes of Health, U.S. National Library of Medicine. (n.d.) *Pediatric heart surgery – discharge*. MedLine Plus Publication. Retrieved 20 January 2020, from <https://medlineplus.gov/ency/patientinstructions/000015.htm>; For hospice patients, stays can range from less than one week to more than six months, but 74 percent of hospice stays are 90 days or less and 86 percent are 180 days or less. National Hospice and Palliative Care Organization. (2019, July). *NHPCO Facts and Figures: 2018 Edition*. Retrieved 20 January 2020, from https://39k5cm1a9u1968hg74aj3x51-wpengine.netdna-ssl.com/wp-content/uploads/2019/07/2018_NHPCO_Facts_Figures.pdf
- 8 See note 6.
- 9 Rhode Island Department of Labor and Training. (n.d.). *2020 UI and TDI Quick Reference*. Retrieved 20 January 2020, from <http://www.dlt.ri.gov/imi/news/quickref.htm>
- 10 State of California Employment Development Department. (2015, December 14). *Paid Family Leave Market Research*. Retrieved 20 January 2020, from http://www.edd.ca.gov/Disability/pdf/Paid_Family_Leave_Market_Research_Report_2015.pdf; Adema, W., Clarke, C., & Frey, V. (2015, November 19). *Paid Parental Leave: Lessons from OECD Countries and Selected U.S. States*. *OECD Social, Employment and Migration Working Papers*, 172. Retrieved 20 January 2020, from <https://doi.org/10.1787/5jrqgvqqb4vb-en>; Setty, S., Skinner, C., & Wilson-Simmons, R. (2016, March). *Protecting Workers, Nurturing Families: Building an Inclusive Family Leave Insurance Program: Findings and Recommendations from the New Jersey Parenting Project*. Columbia University Mailman School of Public Health National Center for Children in Poverty Publication. Retrieved 20 January 2020, from http://www.nccp.org/publications/pdf/text_1152.pdf
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- 14 See note 2.

The National Partnership for Women & Families is a nonprofit, nonpartisan advocacy group dedicated to promoting fairness in the workplace, access to quality health care and policies that help women and men meet the dual demands of work and family. More information is available at NationalPartnership.org.

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